



FAIR POLITICAL PRACTICES COMMISSION

428 J Street • Suite 620 • Sacramento, CA 95814-2329
(916) 322-5660 • Fax (916) 322-0886

July 7, 2009

William Leudenburg
REDACTED

Re: Warning Letter
FPPC Case No. 040839

RECEIVED
FAIR POLITICAL
PRACTICES COMMISSION
09 JUL 27 PM 1:54

Dear Mr. Leudenburg:

The Fair Political Practices Commission (the Commission) enforces the provisions of the Political Reform Act¹ (the Act). On December 21, 2004 and May 31, 2006, the Commission received complaints regarding the publication and distribution of a document entitled "The Insider." In summary, the complaints alleged that the person or people who produced "The Insider" potentially qualified as a committee under the Act and were required to file semiannual statements.

We confirmed that the "The Insider" was a communication that expressly advocated the defeat of Proposition 66 in the November 2, 2004 general election. Based on the information obtained, costs associated with this communication would have amounted to \$1000 or more (including paper / ink used, design / print-ready services, etc).

Please be advised that:

- Section 82013(b) states that any person or combination of persons who directly or indirectly makes expenditures totaling \$1000 or more in a calendar year becomes a committee.
- Section 82031 describes an independent expenditure, and includes expenditures made by any person in connection with a communication which expressly advocates the defeat of a clearly identified measure not made to or at the behest of the affected candidate or committee.
- Sections 84200 and 84203.5 require that committees file Semi-Annual Statements and Supplemental Independent Expenditure Reports. In addition, Sections 84204 and 84605 requires that some committees file Late Independent Expenditure Reports and file their reports and statements online.

¹ The Political Reform Act is contained in Government Code Sections 81000 through 91014. All statutory references are to the Government Code, unless otherwise indicated. The regulations of the Fair Political Practices Commission are contained in Sections 18110 through 18997 of Title 2 of the California Code of Regulations. All regulatory references are to Title 2, Division 6 of the California Code of Regulations, unless otherwise indicated.

William Leudenburg
July 10, 2009
Page 2

We have decided to close this case, based in part, of our determination that statements and reports were inadvertently not filed and you do not have a history of violating the Political Reform Act.

This letter serves as a written warning. The information in this matter will be retained and may be considered should an enforcement action become necessary based on future conduct or newly discovered information. Failure to comply with the provisions of the Act in the future may result in an enforcement action against you, including monetary penalties of up to \$5,000 for each violation.

The Commission publishes forms and manuals to facilitate compliance with the provisions of the Act. If you need forms or a manual, or guidance regarding your obligations, please call the Commission's Technical Assistance Division at 1-866-275-3772. Please also visit our website at www.fppc.ca.gov.

If you have questions regarding this matter, please call me at (916) 322-8180.

Sincerely,

A handwritten signature in cursive script, appearing to read "Luz Bonetti".

Luz Bonetti
Program Specialist
Enforcement Division